new Scheme of National Food For Work Programme (NFFWP) has also been launched for which a provision of Rs. 2020 crore has been made for the current financial year.

Take-over of keltron for defence productions

*214. SHRI N.K. PREMACHANDRAN: Will the Minister of DEFENCE be pleased to state:

(a) whether any proposal is pending with Government to take over KELTRON in Kerala as a defence production unit for its electronics and IT requirements;

(b) whether a task-force team has been constituted to look into the modalities of take-over;

(c) whether the task force has submitted its report and if so, the details thereof; and

(d) whether any units of defence are functioning in Kerala?

THE MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE): (a) to (d) The Government has received requests to take over KELTRON as unit under the Ministry of Defence. The Government has not found it feasible to take over the units of KELTRON.

2. In response to such requests a Task Force was set up to examine and identify the possible areas for long term arrangements between Public Sector Undertakings under Ministry of Defence and Ordinance Factory Board with KELTRON. The Task Force has submitted its Report. The recommendations of the Task Force are enclosed as a Statement (*See* below). It has been decided that the Public Sector Undertakings under Ministry of Defence and the Ordinance Factories would consider placing orders on KELTRON within the existing framework of Government guidelines and purchase policies.

3. There are no production units of DPSUs and OFB under the Department of Defence Production functioning in Kerala.

Statement

Report of the Task Force:

8. RECOMMENDATIONS OF THE TASK FORCE WITH RESPECT TO LONG-TERM ARRANGEMENTS.

8.1 The two State PSUs, KELTEC/KELTRON, are valued suppliers to Defence Establishments and Space Department for over a decade. The companies have been more involved in supplies of developmental nature, which does not provide a long-term and planned feed for their consistent growth and upgradation. It is desirable to provide the Companies with a consistent and committed workload through long-term procurement relationship.

8.2 HAL, BEL, BDL, OFB, ISRO and DRDO have identified items for such long-term relationship. These are listed in Chapter 7.0. DRDO and ISRO have already a successful ongoing procedure for placing orders on these firms. Continuation and further enlargement of this relationship would be useful for mutual benefit of these organisations. However, with respect to DPSUs and OFB a viable procedure for implementation of such a relationship be looked into and approved by competent authority because at present they are bound to follow the general tendering procedure based on Government/CVC guidelines.

8.3 For orders of development nature, small batch size and requiring constant interaction and upgradation of skills and facilities appropriate long term relationship with KELTEC and KELTRON would be desirable.

8.4 The Task Force, after considerable deliberations, recommends the following:—

8.4.1 The DPSUs, DRDO, OFs, etc. may appoint KELTEC and KELTRON as a 'Preferred Vendor' as currently being done by Space Department, in specified areas of procurement. The buying company may follow the limited tender process within the preferred vendors for such procurements.

8.4.2 In view of the financial constraints of KELTEC and KELTRON, the long-term orders may include advance payment/free issue of material along wtih orders, wherever possible.

8.4.3 DPSUs/OFB may also consider investment in upgradation of specific technologies as needed for their niche production coupled with operational control, if desired.

8.4.4 The items and work identified may be put on a 'Rate Contract' for a period ranging from one to five years, depending on the nature of items, volumes involved and the spread over a time frame. The 'Rates' and terms shall be mutually agreed by the buying company and KELTEC/KELTRON. For the period when this Rate Contract is in vogue, the buying company can straightaway procure from KELTEC and KELTRON based on agreed schedule, without having to follow any tendering process. Arrangement currently in practice with DGS&D in this respect may be considered.

8.5 OFB representative has cited synergy between OFB and KELTEC and some of the units of KELTRON and has indicated an option to acquire KELTEC and some units of KELTRON either as subsidiary or direct integration with OFB.

Considering the proposal from Kerala Government to the Central Government for acquiring KELTEC and KELTRON the Government may examine this in details including due diligence.

Use of Coal, Naphtha and Gas by Plants of NTPC

†*215. SHRI RAVI SHANKAR PRASAD:
DR. MURLI MANOHAR JOSHI:

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that National Thermal Power Corporation has been using Coal, Naphtha, Gas as a fuel for the generation of electricity;

(b) if so, the number of plants using Naphtha, Gas, Coal as fuel during the current year;

(c) the average electricity generated by the plants of each category along with their generation capacity; and

(d) the average cost of generation of electricity in the plants of each category during the current year, separately?

THE MINISTER OF POWER (SHRI P. M. SAYEED): (a) to (c) Yes, Sir. Details of use of main fuel and alternate fuel by NTPC by various NTPC

†Original notice of the Question was received in Hindi.